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EMPLOYMENT OF LABOR AND THE WAR—DISCUSSION

FRANK APP.—Labor distribution is more than the bringing together of the laborer and the labor, for if successful it must place the right man in the right place with the right employer. Such distribution must be the aim of all the plans and all the organizations for the distribution of labor.

Some authorities today appear to believe that there is plenty of labor in this country for all industries. If true the distribution is woefully inefficient. Usually the law of supply and demand regulates the distribution with a fair degree of satisfaction. Canada has cared for her agriculture and essential industries by withdrawing labor from unessential work and placing it upon essential industries. We shall need to do the same to maintain the production of our farms and other essentials. Doing so promptly will save us from embarrassment and want later.

The federal department proposes to care for the distribution of farm labor through a dual organization, composed of the federal and state labor departments coöperating. This organization will recruit the labor, while the federal and state agricultural departments, with the colleges of agriculture coöperating, will find out the needs of the farmers and make them known to the federal and state labor bureaus. These labor bureaus can then prepare for the labor shortage and recruit the men wanted. To make this successful and to furnish an efficient supply will require careful selection and placing of the men. The farmer cannot afford such a labor turnover as the manufacturer has. The nature of his business does not allow it. When we consider that the farmer ordinarily hires but one or two men, and that his year's operations depend in a large measure upon having efficient men, we can understand that poor distribution is but little better than no distribution.

Most farm labor is skilled labor. Consequently but a limited amount of unskilled or inexperienced labor can be used. Further it would be foolish to place many inexperienced laborers on farms where their efficiency would be low, when there is plenty of experienced farm labor to be had if properly distributed. During the past year the American farmer raised the largest crop in the history of our agriculture. This was done with a decreased supply of labor. It was done with more than ordinary effort on his part. Part of the crop went unharvested, because of labor shortage. The slack in the farm labor throughout the northern states was pretty well taken up, and further

decreased supply must mean decreased production. The supply of farm labor has been decreasing steadily and the American public must replenish the loss if production is to be maintained. The need is not only for harvest labor, but for year and month hands as well. This need should be placed on a par with the equipment of our armies, and the furnishing of war materials. We must supply our allies with food as well as take our place on the western front.

During the past year boys' farm camps were established in many parts of the United States. The success of these was quite varied. For certain kinds of labor, boys may answer, yet the city boy cannot be expected to furnish a large amount of farm labor. He is better fitted for city work. If the movement is considered from the point of view of an educational advantage for the city boy, then the movement may be sound. But the public should not expect too much from the city boy as a farm asset. Some suggest women as a source of farm labor; others suggest the admission of Chinese to fill the gap. Women always have done some farm work, and a good deal may be expected from them, especially from those who have had experience as girls on the farm. Chinese are not accustomed to our methods and if obtainable would not be desirable. This is no time for new and untried theories. By the proposed organization described by Messrs. Wilcox and Seager, a better distribution of farm labor should be obtained; and, should this not fill the need, the manufacture of some unessentials, or the employment of able-bodied men for certain kinds of work, should cease.

REX E. WILLARD.—At a special session of the Maryland Legislature in June, 1917, a Compulsory Work Law was enacted and this law went into effect on August 20, 1917. The law provides for the registration of all male persons between the ages of eighteen and fifty who are not regularly and continuously employed. There are certain exceptions provided for, such as those not able-bodied, those engaged in seasonal occupations, those who are temporarily out of employment on account of differences with their employers, students, and those fitting themselves for engaging in trade or industrial pursuits, and certain others. Section 2 of the act provides specifically, "That all persons able to support themselves by reason of ownership of property or income, and those supported by others, shall be included among those required to register under this Act."

Any person who may be amenable to the law and who fails to register voluntarily may be arrested and if he cannot show that he comes

under one of the statutory exemptions, he may be fined not more than \$50 (and costs) and be compelled to register. The law is continuous in operation in that an individual may show that he is regularly employed at one time but later is out of employment; he is then required to register; he then is assigned or reassigned at any time while the law is in effect.

The act provides that after registration with the clerk of the Circuit Court of the respective counties, or with the clerk of the Superior Court of Baltimore City, the registrants shall be assigned to any one of such occupations as shall be designated by proclamation of the governor for a period of not to exceed six months in any one assignment. Various proclamations by the governor from time to time have designated the following occupations to which registrants may be assigned: work on state or county roads or the streets of Baltimore City; canner work; farm work; work in hospitals, box factories, shipyards; and "work in the state of Maryland by or in behalf of the United States or by and in behalf of the state of Maryland in connection with the prosecution of the present war."

It is further provided that the number of hours per day and the number of days per week that the registrant shall work shall be in accordance with the usual and lawful requirements of the occupation to which he is assigned, and further, that the amount of wages paid the registrant taking assigned work shall be the usual wage for this class of labor. In the case of assignments to private employers the state guarantees the payment of wages earned; in case the private employer does not make payment the wages are paid from the treasury of the state, but private employers are required, technically, to give bond in the amount of the total possible wages that any assigned laborer may earn and upon payment of the wages by the state the bond is declared "in default" and shall be put in suit by the state. No bond is necessary in state, county, or municipal work.

If the registrant fails to take the work to which he is assigned, he is subject to arrest for non-compliance with the law and upon conviction may be fined not to exceed \$500 or imprisoned not to exceed six months or both.

Section 6 of the act provides as follows: "That this Act is hereby declared to be an emergency law and necessary for the immediate preservation of the public safety, and being passed upon a ye and nay vote supported by three-fifths of all the members elected to each of the two houses of the General Assembly, the same shall take effect from the date of its passage."

By the following outline of the operation of the Compulsory Work Act, as conducted, Mr. George A. Mahone, Director of the Compulsory Work Bureau, shows something of the effectiveness and success of the law:

OUTLINE OF OPERATIONS AND NUMBER OF CASES ENCOUNTERED TO
NOVEMBER 1, 1917

- Registrations, 819 — Voluntary, 695; Involuntary (Arrests), 124
- A. Voluntary appearances and exemptions, 20
- B. To be assigned, 237
- C. Assigned, 562
 - I. Took work assigned, 5
 - II. Not yet heard from, 209
 - III. Summons to Police Court, 248
 - 1. Summons dismissed
 - a) Have work, 223
 - b) Exempt
 - c) Not found
 - 2. Appeared Director's office a/c summons—Exempted, summons withdrawn
 - 3. Warrants of arrests, 15
 - a) Dismissed
 - (1) Have work
 - (2) Exempted
 - (3) Not found
 - b) Pending, 4
 - c) Convicted, 11
 - (1) Fined, 7
 - (a) Fine paid
 - (b) Appeal (only where fine is more than \$50)
 - (c) Jail in default of fine
 - (2) Sentenced, 4
 - (a) To house of correction, 1
 - (b) To jail, 2
 - (c) Appealed, 1

Of the 819 registrations from August 20 to November 1, 510 were in Baltimore City and 309 were in the counties. All of the 124 arrests for failure to register were in rural communities; the absence of arrests in Baltimore City is due to an arrangement with the police whereby a loafer when encountered by an officer was given the option of registering at once, by the use of the registration cards carried by the officer, or being arrested. Since November 1, 125 additional registrants have been recorded in the city, and there have been some arrests and convictions. A considerable number of registrants in the rural districts have not yet been reported.

It should be noted that in Maryland where the penalty under conviction does not include a jail sentence or a fine in excess of \$50 no jury trial is allowed under the law and no appeal can be taken from the decision. Therefore there is no way to escape the penalty for not registering other than a writ of habeas corpus or a writ of certiorari.

In the Compulsory Work Law no definition is attempted as to regular employment: this matter is therefore entirely in the judgment of the magistrates or justices who hear the cases of those arrested for failure to register.

Before assignment of laborers is made the director of the bureau enters into arrangements with state road engineers or others to take the assigned laborers on to the pay rolls. Upon being assigned, lists of those assigned to them are furnished to the proposed employers and these employers are requested to make returns to the director as to the number reporting for work and the character of the work done by those who report.

It will be noted (see the foregoing outline) that of the 562 assigned, only 5 took work. Returns had not been made concerning 209. The remaining 248 were still at large and under the law; these were subject to arrest for not taking the work assigned. However, the director of the Compulsory Work Bureau is not trying to make business for lawyers or to make a record of a large number of convictions under the law; rather he is endeavoring to fulfil the intent of the law to reduce idleness and produce the greatest possible economic benefit to the state by causing all able-bodied male persons to become engaged voluntarily in productive occupations. Consequently, instead of issuing warrants of arrest for those not reporting for work as assigned, a summons is issued which is returnable any time within five days of the date of issue. Thus it is possible for a man to answer the summons without interfering with his work if he happens to have secured employment at some other job than that to which he was assigned. While this is a privilege rather than a right, the value of this procedure is apparent at once when it is seen that of the 248 on whom summons was served 223 were dismissed because they established the bona fide defense that they "had work." This is a satisfactory defense under the law when the magistrate is satisfied that the person summoned or under arrest has regular employment.

On the other hand, if warrants of arrest had been sworn out at once when it was found that the assigned individuals had not complied with the letter of the law, they would have been arrested whenever and wherever found, a procedure which might have worked to defeat the end in view, since the average employer will discharge a man if he is arrested while in his employ.

Of the 248 on whom summons was served, 15 up to November 1 had not complied with the law either by taking work assigned or finding other work. For these, therefore, warrants of arrest were issued.

Their cases were heard and disposed of as indicated in the foregoing outline.

The fact that there is a real "kick" or penalty in the law is the force that produces the moral effect. A fine of \$50 or jail in default of payment for failure to register, and \$500 fine or six months' imprisonment for failure to comply with assignments, are real penalties. The advertising of convictions and penalties adjudged in each case has been a big factor, apparently, in causing idleness to cease. The fact that there have been comparatively few prosecutions for failure to take work assigned does not lessen the psychological effect on the classes of individuals affected.

A considerable amount of systematic recording and statistical tabulation is necessary for the efficient operation of the law, inasmuch as every individual encountered must be followed up and the facts determined as to his actions in the various steps of the law's operation. Consequently a filing system using cards of convenient size was devised, so that it is possible on a moment's notice to determine the status of any individual previously considered.

A number of factors are of importance in the efficient operation of the Compulsory Work Act. It is essential that the director have an intimate knowledge of the psychology of the class of people encountered, and also it is quite necessary that he have a considerable knowledge of the practice of law. It is clear also that systematic operation must be maintained on account of the vast number of details that are encountered. The present director of the Maryland Compulsory Work Bureau, Mr. George A. Mahone, is particularly fitted for these duties inasmuch as he has been for years the efficient director of the Federal Employment Service at Baltimore; furthermore he is a lawyer, having been admitted to practice at the bar in the state of Maryland.

One of the greatest factors in the success of the law is the quality and intensity of public sentiment toward the act in the various communities of the state. While there has been a large amount of publicity concerning the act, it has been necessary to conduct direct education with the state's attorneys and other officers who are required under the law to enforce its provisions. The law is very plain in its statement of intent and operation, and because of this some have been inclined to believe that there is some kind of a "joker" in it; but up to the present time there has been no evidence of this kind. Therefore the officials and the public are gradually becoming aware of the purposes and intent of the act and more and better results are accomplished from day to day. The best results are obtained where there is the

greatest amount of activity on the part of the officials and where public sentiment is strongly behind the law.

Several assistants have been employed to carry on the campaign of education and to check up on the police officials, as well as to act upon complaints of unemployment. These assistants move about the state at irregular intervals so that the greatest good may be derived from their unexpected appearance.

It is very difficult to discover an accurate measurement of the results of the operation of the Compulsory Work Act on account of the fact that many who might be subject to registration secure employment before being caught in the clutches of the law. However, the number of those who have secured work after being registered and assigned is significant. It is noted that of the 248 on whom summons was served 223 had found regular employment and were able to satisfy the court of this fact. Some special cases of the effect of the law may be of interest. A communication was sent to each of the 23 state's attorneys asking their opinion of the effect and value of the law. Replies were received from 20 of them and the following quotation from the state's attorney of Allegheny County practically sums up the statement of all of them. "I can assure you that ever since this law has gone into effect in this county there have been few cases of idleness, in fact all the idlers have gone to work."

In Ellicott City, Howard County, a public spirited farmer took occasion to lend some assistance to the effectiveness of the law and he called upon 17 individuals whom he knew to be chronic idlers. He informed each of these that if he did not go to work he would have him arrested. Two weeks later the farmer investigated the 17 men again to find out the results of his threat, and found only one of the loafers. This man was arrested and compelled to register, being fined for failing to do so voluntarily. The other 16 were further investigated by the farmer and each of them was found to be at work at regular employment, eight being on farms and the others at various occupations about the town.

At Towson, a suburb of Baltimore, a road engineer had been in the habit of securing from 15 to 20 negroes from time to time for a period of two or three days to work on the road. He had always been able to secure them for this short time but no longer. Shortly after the Compulsory Work Law went into effect, the engineer went the rounds to secure the above labor and was not able to find a single man in his usual haunts. Now there are three courses, any one of which might have been adopted by the idlers: first, they might have stayed at home;

second, they might have left the community; and third, they might have gone to work. The first is hardly likely as it is not the psychology of the loafer to remain indoors at home; he will invariably seek the haunts of his kind. Probably a number adopted the second course and left the town, in which case they would be caught by the law at another point in the state if within its borders. Doubtless a considerable number adopted the third course and went to work.

The Compulsory Work Act has doubtless had some effect on the decrease of crime in the City of Baltimore. During July last, there were 5059 arrests; in the September after the law had gone into effect there were 4596 arrests, and in October there were only 3690 arrests. In October 1916, there were 4293, or more than 600 more than the corresponding month this year. Magistrate Joseph L. Ranft, of Baltimore City, makes the following statement: "The Compulsory Work Law is to be credited with the betterment of conditions, as well as the work of George A. Mahone in charge of the Bureau, in seeing that loafers and criminals are now kept employed."

Of course it is difficult to make definite predictions as to the ultimate success of the law, but this much we do know, that since the statute went into effect men who have never been known to work and large numbers of habitual loafers have disappeared from their usual haunts of idleness.

GEORGE E. BARNETT.—All of those who have read papers appear to be in agreement on at least one point—the desirability of a system of employment offices as one of the means of meeting the extraordinary demands for labor due to war conditions. The immediate problem, therefore, is how to bring into existence a national system which will serve that purpose. At present, there are more or less efficient state employment offices in ten or, perhaps, fifteen states. The federal government maintains offices in all the chief industrial centers. Undoubtedly these are all of service in the present emergency, but neither from the point of view of present or permanent needs is the situation satisfactory. The core of the problem is, therefore, how the existing agencies can be welded into a single system. The bill now before Congress described by Professor Seager proposes one solution. Under the scheme there outlined the federal government would furnish part of the necessary funds for the state systems and the means of connecting up the various state systems. The resulting national system would, therefore, be a combination of state systems.

Is this the best solution? It is inevitable that the federal govern-

ment must take a hand if we are to have a national system of employment offices. But is the function of mere coördination assigned to the federal government the proper limit of its part in a national system? My own conviction is that the system should not be merely co-ordinated by the federal government, but that the entire system should be centralized and entrusted to the federal government. I shall present briefly the advantages which a centralized federal system, in my opinion, would have over the dual system described by Professor Seager.

1. The first great advantage of a centralized system would be in the enormous saving of expense. Under the dual system, a whole set of officials must be maintained whose only duty would be to bring about the coördination of the parts of the system. If the federal government had exclusive control, this coördination would be achieved with only a fraction of the effort, since the local officials would be directly under the control of a single executive head.

2. The second advantage lies in the superior personnel of a purely federal service. In the first place, the service would be more attractive and a better class of officers could be secured. Secondly, the danger of purely political appointment is very much greater in the state managed systems than it would be in a federal system. How many of the existing state systems are operated by officials appointed and holding under civil service rules? Professor Seager expresses his anxiety that the federal appointments may be made spoils for the spoilsman. Has he considered how that two million dollars will be spent? It will be comparatively easy to put the clearing houses under civil service rules, but if the offices with which the laborers come into actual contact are manned by political incompetents, the system will be rotten at the bottom.

3. A centralized federal system would be run on uniform rules which would represent the national view of the attitude which employment offices should take in the struggle between capital and labor. It is possible, of course, for the federal government to lay down certain rules as to the conduct of the subsidized state employment offices, but the spirit in which those rules will be carried out cannot be guaranteed. The various states differ widely in the character of public opinion on the labor question. Can any one doubt that these differences will show themselves in the manner in which state officials conduct employment offices?

4. How long will it be before we have employment offices in proper number over the country? Will the states respond promptly to the

lure of half-and-half? In the meantime, those states which do not must go without.

5. There is no question that the workmen in most if not all of the states would give their confidence more quickly to a centralized system on account of the greater prestige of the national government.

It may be argued that we are not now considering an ideal system, but a makeshift to fit the present emergency. To that I should reply in the first place that the proposed plan commits us to a final decision. It will be many years and only after painful experiences that we can turn back to a centralized system. Moreover, the same immediate results can be achieved by authorizing the establishment of a federal employment service. It is not necessary at once to replace state offices where they are efficient. The federal government may proceed as it did in the matter of quarantine stations, taking over gradually station after station. If it is necessary to subsidize existing employment systems, it should be distinctly understood that the subsidy is merely temporary. Where there is now no state system, the new employment offices should be federal offices. The ultimate aim should be a centralized national system.

GEORGE A. BILLINGS.—A most hearty coöperation between federal and state labor and agricultural agencies should exist in order to obtain the greatest efficiency in mobilizing farm labor, and the work should be organized to obtain help for the farmer's needs as quickly as possible, without shifting labor long distances.

In order to accomplish this each state should be fully organized with the county as the unit, a county labor agent put in charge, and local labor agents in all community centers. Fortunately, the agricultural extension organization of each state may be assigned this task, as the county agricultural agents who are working personally with farmers, who know the farmers' needs, and who are known by the farmers, are especially fitted to act as labor agents. Assistants should be appointed, if needed, in various sections of his territory, to whom the farmer may apply for help, and through whom labor may be distributed more satisfactorily.

Each county agent should mobilize all available help, such as boys between the ages of 14 and 21 years, retired farmers, clerks, business men, factory hands, or any other persons who could be used even for short periods in case of emergency. In LaCrosse, Wisconsin, a serious labor situation was relieved by appointing a man to recruit labor from such sources as above mentioned, and detailing a transportation agent

to obtain automobiles to take these persons to and from work. In Madison, Wisconsin, members of the Rotary Club and other business men volunteered their services for one day to relieve a serious shortage of labor, letting the farmers pay whatever wages they considered their services worth, turning over to the Red Cross or to other war emergency needs their wages. This service continued for six weeks or more, and was very satisfactory and much appreciated by the farmers.

Each county must realize the need of mobilizing all unemployed or other labor available for short periods, before calling upon an employment office for assistance. The reason for this is that, as a rule, the labor recruited in country villages and towns is superior to that obtained from the city, as at some time or other such laborers have probably had some farm experience. When there is a real shortage, the county agent should forward to the nearest federal or state employment office applications for help.

The Employment Service must not only be organized and equipped to furnish real service to the farmers, but be put on such a basis that the local farm organizations will have confidence in placing orders with it. In order to give efficient service, each federal or state employment office should have a man devoting his whole time to farm labor matters. He should be a man trained in agriculture and familiar with farm operations and different types of farm employment, and above all should be a good judge of men so as to fit the right man to the right job. If this can be accomplished, instead of being 50 per cent efficient, that is, only 50 persons actually hired out of 100 persons referred to positions, there is no reason why an employment office should not be at least 75 per cent efficient.

E. ST. JOHN WILEMAN.—I desire to pay a warm tribute to the preceding speaker for his bold support of a federal system, unhampered by dual control and divided authority; for, speaking as an expert who has served two years' apprenticeship in studying the operations of the principal government labor exchange systems in several countries, I hold the conviction that only along those lines is there any chance of permanent successful results.

Professor Seager has referred to contention and disagreements in the camp of the reformers themselves. Four months ago, after an appeal to Mr. Gompers to take action in regard to securing national organization to deal with labor and industrial problems to meet war conditions and after-war demobilization, I received official communications from him intimating that the importance of the question was

realized and a decision had been arrived at by himself and the Secretary of Labor to call a special national conference to deal with the whole problem. Had this taken place, lack of agreement and conflicting issues would have been averted.

The comments I shall make on Professor Seager's statement of proposed legislation are based upon practical actualities, and experience in Canada which offers many similar situations and problems to those existing in the states. Since starting and operating with entire control the first public labor bureau in Canada, as an object lesson, giving work the first year to over 3000 men, besides placing large numbers of women and children, and carrying out successful experiments in dovetailing of seasonal occupations, I have carried on for six years a coast to coast campaign for securing a national organization to handle labor and industrial problems and create and administer a complete national labor bureau system. The result of the propaganda I have continuously and unremittingly carried on—and you will not think the worse of me when I state that I have, since the outset, up to the present time, worked single-handed, without committee or organization—is shown by the nation-wide support accorded to the outline of desired legislation embodied in the public memorial I took all through town and country districts from Victoria, B. C., to Halifax, N. S., which was officially subscribed to by all the provincial governments, Lord Shaughnessy and the C. P. R., Sir J. Havelle and the Imperial Munitions Board, returned soldiers, municipalities, boards of trade, labor, social service, and many other useful organizations; and for which the federal government will be forced to take legislative action this year, in the shape of a permanent, nonpartisan commission with executive and mandatory powers, coöperating with federal, provincial and municipal departments and associations of employers and work-people, skilled and unskilled.

I have not read Professor Seager's written pieces, but in his verbal statement, made this afternoon, I notice some serious flaws. Being a woman, the personal equation is of much more importance than it is to you men. He made no mention as to the personnel and caliber of the staff to administer a nation-wide system, or any test as to individual fitness for work undertaken. Though women are to play an increasingly essential and important part in industry and war mobilization, no information as to their status in the administration nor any plan to meet their needs was given. Though your country is at war, planning to send large bodies of troops to the firing lines, not a syllable has been uttered as to imperative preparation for replacement in

employment of disabled, discharged soldiers after rehabilitation. Professor Seager declared that the distribution and placement of labor has been left in the hands of employers. That is incorrect. It has been allowed to fall into the hands of commercialized agencies and crooks of all kinds, of the lowest type, whose one aim is the Almighty Dollar, who exploit both the employer and worker and are characterized in their methods and dealings by ingenious unscrupulousness, heartless cruelty, and ignorance of principles of efficiency and public welfare. It is both a disgrace and menace that such blots on civilization and humanity should be licensed by law. There are other important points which should be dealt with, but the chairman is taking out his watch to signify my time-limit is up, so, as an English woman who has spent four months in your country watching you speed up your preparations to take your place beside your Allies, the English and French, on the battle fields of Europe, in the name of our common cause, I urge you to come out to fight and work for a system, national in the truest sense of the word, based upon coöperation—not an exclusive control by a few interests. And I appeal to you not to rest content with fifty-fifty piecemeal efficiency, but to strive for and win the highest measure of national efficiency, prompt executive administration, and harmonious coöperation, to meet the tremendous demands and strain of war as well as its aftermath.

DON D. LESCOHIER.—The war has awakened the nation to a realization of many of its follies, not the least of which is its lack of policy with respect to the employment of labor. We have at last begun to see that our labor market is practically unorganized; that such organization as exists is so decentralized and chaotic that it has little efficiency; that we have no systematic way of measuring either the demand or supply of labor, or of moving the supply to the demand; and that at the very time that the nation is vainly calling for labor to adequately man vital industries, thousands of idle laborers are deaf to the call to service or are unfit for use.

It is high time that something awakened our country to its suicidal employment policies. It is high time for us to see that our failure to organize the labor market is not only interfering with production, is not only causing the workers heavy financial losses through unemployment, but is contributing to the destruction of or impairment of the efficiency of hundreds of thousands of laborers year by year.

The situation in the country, at the outbreak of the war, may be briefly sketched. The federal government had two sets of employment

offices, one in the immigration bureau and the other in the post office, neither of which was centralized within itself, neither of which provided proper coöperation between its own local branches, and neither of which coöperated with the other federal agency, or with state or municipal offices. Various states and municipalities maintained employment offices, but it was rare to find one office within a state co-operating with another, or one state coöperating with another. Competing with these public offices were and are a host of private agencies—some operated for profit, some to break up unions, some to maintain closed shops, some for philanthropic motives—but all of them crossing wires with each other and with the nation's interests.

What is the result of this multiplicity of agencies, none of which organizes or systematically handles the employment problem of any area? They defeat the very purpose for which they exist. A proper distribution of labor requires a centralized clearing house where every demand for work can be brought into touch with its corresponding demand for help. Every demand for help or for work not filled immediately by any local office should be forwarded to a central clearing house in touch with every employment office in the area. When the existing agencies are not thus organized into a centralized system, every increase in the number of agencies makes the situation worse instead of better. The more offices there are the greater the chance that the man who is seeking a given kind of work will not file his application in the same office as the employer seeking that kind of man.

The second point I want to make is that our present methods of hiring cause excessive turnover of labor. By excessive turnover, I mean the employment of a larger number of men than should be necessary to maintain the labor force at a constant figure. On the average, out of 100 men 20 leave employment during the year by death, sickness, quitting for good reasons, or because of seasonal fluctuations in production. If more than 20 men per year are hired, the turnover exceeds the normal figure. Now if a concern hires 50 men instead of 20 during the year, in order to maintain the labor force constant at 100, we have excessive labor turnover. For instance, the Ford Motor Company hired 54,000 men in 1913 to maintain a labor force of 13,000. This was more than a 400 per cent turnover. The next year, they hired only 3000 to maintain their 13,000. This was a 23 per cent turnover.

My point is that our chaotic methods of labor distribution stimulate turnover and cause employers to hire a far larger number of men per

year than they should have to hire to maintain a constant force. The defects of our employment machinery are not the only cause of excessive turnover, but they are a very important cause.

The private employment agency is interested in its own profits. Its profits depend on the number of men that it places. The larger the employers' turnover of labor the more profitable the business of the agencies. Private employment agencies are therefore not interested in placing men who will stick on the job. They are interested only in so much per head, and as many heads as possible. They neither know nor care about the detailed problems of the employer's business. They have no reason for seeking to adapt their service to his best interest. What interests them is that he wants "so many men" at "so much per head." They send a considerable percentage of men who they know will not stick. But why should they care? If those quit the agency will get fresh fees from the ones who will take their places.

The public employment office gets no fees from the laborers, but under present conditions it necessarily measures its own efficiency by the number of placements. Volume, rather than quality, is apt to be its test of its own service. And, from one point of view it cannot be criticised in so doing. Every placement obtained by the public office is taken away from the private office and represents returns on the taxpayer's outlay, but in the long run the only sound justification of a public office will be found in the quality of its service. Quality consists in a careful selection of applicants to fit them into the positions for which they are best adapted. A soundly organized public system would boast of the steadiness with which men remained on their jobs and the small turnover of labor, rather than mere mass of placements.

The excessive turnover of labor which is so characteristic of all industries involves heavy losses. I pointed out a moment ago that the Ford Company's turnover in 1913 was 51,000 greater than in 1914. Corporation employment managers estimate the loss to the employer for excessive turnover at \$50 to \$200 per employee. At the minimum figure the company's loss in 1913 was \$27,500. The time of the foremen spent in instructing new employees, the decreased production due to slowed-down machinery, increased breakage of tools and materials, and other such elements of loss, run into money rapidly.

The employee's losses are equally serious. Unsteady work breeds unsteady habits. Frequent change of jobs results in a smattering of many kinds of work with incapacity to do any kind well. The child who has five music teachers in two years is little better off than if she had none. Likewise the workman who is continually passing from one

foreman to another, from one industry to another, from one locality to another, deteriorates steadily, is a misfit in most jobs, and acquires habits of unsteadiness that tend to eventually make him unemployable.

A third result of the chaotic condition of our employment service is excessive migration and shipment of labor. Many persons who think of labor as a commodity to be shipped wherever needed have no realization of what this continuous movement of labor means to the laborer. The transient laborer not only has no permanent job, but no community ties, no home ties, often no friendship ties. No one is interested in him but the boss who uses him, the employment agent who squeezes fees out of him, the saloon keeper, the lodging-house keeper, the pawnbroker, second-hand-store man, the prostitute, and the municipal police court, who prey on him. Irregularity of employment encourages irregularity of life, lack of responsibility, and deteriorating efficiency.

Possibly some of you feel that I am charging up a good deal to our employment system. I am not charging the whole responsibility to the employment system. Unavoidable fluctuations of production and internal defects in plant management are equally responsible. But I am stating that until we have an employment system which is so organized that all calls for help or work come to a single system of offices, and the offices are able to measure the efficiency of their service by its quality rather than its quantity, the employers will lose millions of dollars annually through excessive turnover and excessive migration of labor; millions of laborers will continue to be deteriorated by unnecessary irregularity of employment and excessive moving about from place to place and industry to industry; and the nation will lose in output, the quality of its labor force, and irresponsible citizenship.

One of the reasons why our agricultural labor situation has been getting worse and worse year by year has been that the farmers have become increasingly dependent on migratory, transient laborers, picked up at random in a disorganized labor market. A minority of farmers have been able to get steady, responsible hired hands who remained with them through the year or season. The majority hire man after man, few of whom remain more than a month or two. The farmer, thinking he is thereby keeping down his expenses, has been more and more prone to discharge his hired hand as soon as the rush is over. The laborer, accustomed to continual change of employers, is ready to quit any time that he doesn't like the shape of the farmer's nose, the color of his horses, or the quality of his wife's pancakes. The employment offices, knowing that in most cases neither the farmers nor the men expected to make a permanent contract, have increased the

evil by sending any kind of man who would go out, regardless of his fitness or his character. Only a system of employment offices which controls the farm labor market of a whole area, and which seeks to place farm hands who are competent, responsible, and willing to stick, can mitigate this situation. Such a system can educate the farmers to the desirability of holding their men through a whole season, and to the methods by which this can be achieved. It can bring about a standardization of wages throughout the area, can discover and deal individually with those farmers who do not provide proper working conditions, and can sift the available farm laborers. In other words it can develop constructive, standardized policies to decrease turnover, retard migration, and equalize conditions.

I am strongly of the opinion, for the reasons brought out by the previous speakers, as well as those that I have suggested, that the economists of the country should seriously emphasize the reorganization and standardization of the labor market as one of the most certain methods of decreasing production wastes and maintaining an efficient labor force.